



**Connecticut  
Light & Power**

The Northeast Utilities System



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**TESTIMONY OF STEPHEN GIBELLI ON BEHALF OF  
THE CONNECTICUT LIGHT AND POWER COMPANY  
and YANKEE GAS SERVICES COMPANY**

**Energy and Technology Committee  
March 20, 2012**

**RE: RAISED BILL 5542 AN ACT CONCERNING CONSUMER PROTECTION FOR UTILITY  
CUSTOMERS**

Good afternoon. My name is Stephen Gibelli and I am Associate General Counsel for Northeast Utilities Service Company, appearing on behalf of the Connecticut Light and Power Company and Yankee Gas Services Company (collectively, "the Companies").

This proposed bill would require the disclosure of salaries of the directors and officers of public service companies as well as holding companies which may control public service companies. The legislation also does not allow rate recovery for employee compensation that exceeds a pre-established statutory limit of three hundred fifty thousand dollars.

In addition, the bill provides for the payment of food spoiled by outages lasting greater than 48 hours for qualifying customers and for a waiver of late fees if a customer's bill is due during a period when the customer's outage lasted greater than 24 hours.

Section 1 of the bill is not needed based on the current state of federal and state requirements. Currently, the Companies file compensation information for the top five officers in both CL&P and Yankee Gas on an annual basis every July 1<sup>st</sup> with the Public Utilities Regulatory Authority ("PURA"). The Companies have made this filing pursuant to PURA's December 3, 2008 decision in Docket No. 08-01-16. The Companies' annual filing includes information that is consistent with the content and scope of its Form 10-K filings required by regulations of the Securities and Exchange Commission. This bill would require the Companies to provide PURA with more information on an annual basis than what is required by the SEC.

The Companies believe that the information provided in its annual compliance filing with PURA is sufficient. If PURA determines in a rate proceeding that it requires additional compensation information, the Companies can provide that, but such information should be provided in such a manner as to protect the privacy and safety of individuals.

The Companies also believe that PURA should determine the level of executive compensation allowed in rates through the ratemaking process. PURA has the expertise to examine all aspects of a rate request in one proceeding and this operating cost should not be addressed separately.

CL&P appreciates that the provision allowing for reimbursement to customers includes a means test. It is important that people who need the assistance receive the benefits of such a program that will result in subsidies paid for by all our customers. Additionally, CL&P believes that such a program should include clear standards for reimbursement to prevent potential fraud.

It is not clear to CL&P when the waiver of the late fees applies. CL&P requests that the language be clarified so that it is clear under what circumstances a customer's late payment charges are waived.

Finally, Sections 2 and 3 should only apply if the damages are from service interruptions resulting from the utility's gross negligence or willful misconduct.

Thank you.